

Tim W. Wood's

Cycles News & Views

Specializing in Dow Theory and Cycles Analysis



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Cycle Turn Indicator Direction and Swing Summary of Select Markets as of the close on February 15, 2024

Market	Daily CTI	Daily Swing	Weekly CTI	Weekly Swing
Industrial	Neutral	Low	Negative	Low
Transports	Negative	High	Positive	Low
NDX	Negative	Low	Positive	Low
S&P Inverse Fund	Positive	N/A	Negative	High
CRB Index	Negative	Low	Positive	Low
Gold	Negative	Low	Negative	High
XAU	Positive	Low	Negative	High
Dollar	Negative	High	Positive	Low
Bonds	Positive	Low	Negative	High
Crude Oil	Negative	High	Positive	Low
Unleaded	Negative	High	Positive	Low
Natural Gas	Negative	High	Negative	High

*Since this fund is quoted at the end of the day it is impossible for the concept of swing highs and lows to apply on a daily level. The primary interests here are the weekly developments.

The daily is representative of the short-term and the weekly is representative of the intermediate-term

Short-term Updates

Note on the Cycle Turn Indicator

The most important indicator we have is the Cycle Turn Indicator and the most important timeframe, at least in my mind, is the intermediate-term. This indicator has proven itself time and time again. In reality, this is all we really need to know. Everything else is secondary. That being said, please be sure to monitor the "Cycle Turn Indicator Direction and Swing Summary" above. Red indicates that a swing high and down turn of the Cycle Turn Indicator has occurred and lower prices should follow. The only exception here is that on the daily stock market signals we also want to see both the slow cycle Turn Indicator and the New High/New Low Differential in agreement with the original Cycle Turn Indicator, which is what is covered in this summary above. Yellow, is cautionary meaning that the Cycle Turn Indicator and the swing are not in agreement, which is typically indicative of a trend change. Green, means that a swing low has occurred and that the Cycle Turn Indicator is positive, which should be followed by higher prices. Again, the only exception here is the daily stock market signals in that we want to see both the slow Cycle Turn Indicator and the New High/New Low Differential in agreement with the original Cycle Turn Indicator, which is what is covered in this summary above. For everything else, all that matters is the formation of a swing and the direction of the Cycle Turn Indicator.

See Notes for New Subscribers at the bottom of the Short-Term Update Page or the Research Letter page for information on understanding Cycles and Swings.

February 15, 2024

Stocks

End of Week Intermediate-Term Indicator Summary Intermediate-Term Buy	
Primary Indicators	
Formation of a Weekly Swing Low	Bullish
Cycle Turn Indicator (CTI)	Bullish
CTI on Rydex Tempest Fund *	Bearish
Confirming Indicators	
Trend Indicator (TI)	Bullish
Advance/Decline Issues Diff	Bullish
New High New Low Diff	Bearish
Secondary Indicators	
5 3 3 Stochastic	Bullish
Cycle Momentum Indicator	Bearish
*When this indicator is Bullish it is negative for the market and visa versa.	

Daily Indicator Summary Short-Term Sell	
Primary Indicators	
Formation of a Daily Swing Low	Bullish
Cycle Turn Indicator (CTI)	Bullish
Slow Cycle Turn Indicator (CTI)	Bearish
New High/New Low Differential	Bearish
Confirming Indicators	
Trend Indicator (TI)	Bearish
McClellan Intermediate Term Breadth Momentum Oscillator (ITBM)	Bullish
McClellan Intermediate Term Volume Momentum Oscillator (ITVM)	Bullish
McClellan Summation Index	Bullish
McClellan Volume Summation Index	Bullish
Secondary Short Term Indicators	
5 3 3 Stochastic	Bearish
Cycle Momentum Indicator	Bullish
Trading Cycle Oscillator	Bearish
Momentum Indicator	Bearish
Ratio Adjusted McClellan Oscillator Crossover	Bullish
Accumulation/Distribution Index	Bullish

With the completion of a daily swing high and triggering of a short-term sell signal on Tuesday, we knew that it should have been in association with the half-trading cycle top and every indication is that it was. With the timing band for the higher degree intermediate-term cycle low now upon us, we knew that conditions were also certainly ripe for the trading and intermediate-term cycle top. With the Industrial's completion of another daily swing low on Thursday, it has proven that the half-trading cycle low has been seen and that the advance in association with that low is in association with either an additional push into the trading and intermediate-term cycle top or a retest of that top. Whichever the case, until another daily swing high is formed, this additional advance will remain intact. Once a weekly swing high is completed, we should have confirmation of both the trading and intermediate-term cycle top. More on all of this as it develops. The timing band for the next trading cycle low runs between February 27th and March 18th. At a higher level, the timing band for the intermediate-term cycle low runs between February 16th and April 19th. With this intermediate-term cycle being right-translated, the expectation is for this decline to be counter-trend.

It will then be the next intermediate-term cycle advance that the higher degree setup with the CheckMate Chart will have an opportunity to take form.

Crude Oil triggered a short-term sell signal on Thursday, but because of the reversal off the low, we need to see a close below Thursday's low as confirmation of this sell signal. The completion of a weekly swing high will now be suggestive of the retest of the intermediate-term cycle top having run its course.

Gasoline triggered a short-term sell signal on Wednesday and any further weakness that completes the formation of a weekly swing high will be suggestive of the higher degree intermediate-term cycle top.

The short-term sell signal on Natural Gas remains intact, as does the intermediate-term sell signal and decline out of the left-translated intermediate-term and seasonal cycle top.

The CRB Index completed the formation of a daily swing high on Monday and with the additional weakness on Wednesday turning the daily CTI down a short-term sell signal was triggered. The expectation is for the current intermediate-term advance to be counter-trend and followed by further weakness in association with the downturn out of the higher degree seasonal and 3-year cycle top. If the decline in association with this short-term sell signal completes the formation of a weekly swing high, then we will have to assume that higher degree intermediate-term cycle top to be in place.

Gold completed the formation of a daily swing low on Thursday, but with the daily CTI remaining negative, a short-term buy signal was not triggered.

Any further advance that turns the daily CTI up may prove to be in association with an early trading cycle low.

The XAU triggered a short-term buy signal on Thursday and until it proves to be another push down into the trading cycle low, we have to assume the trading cycle low has been seen.

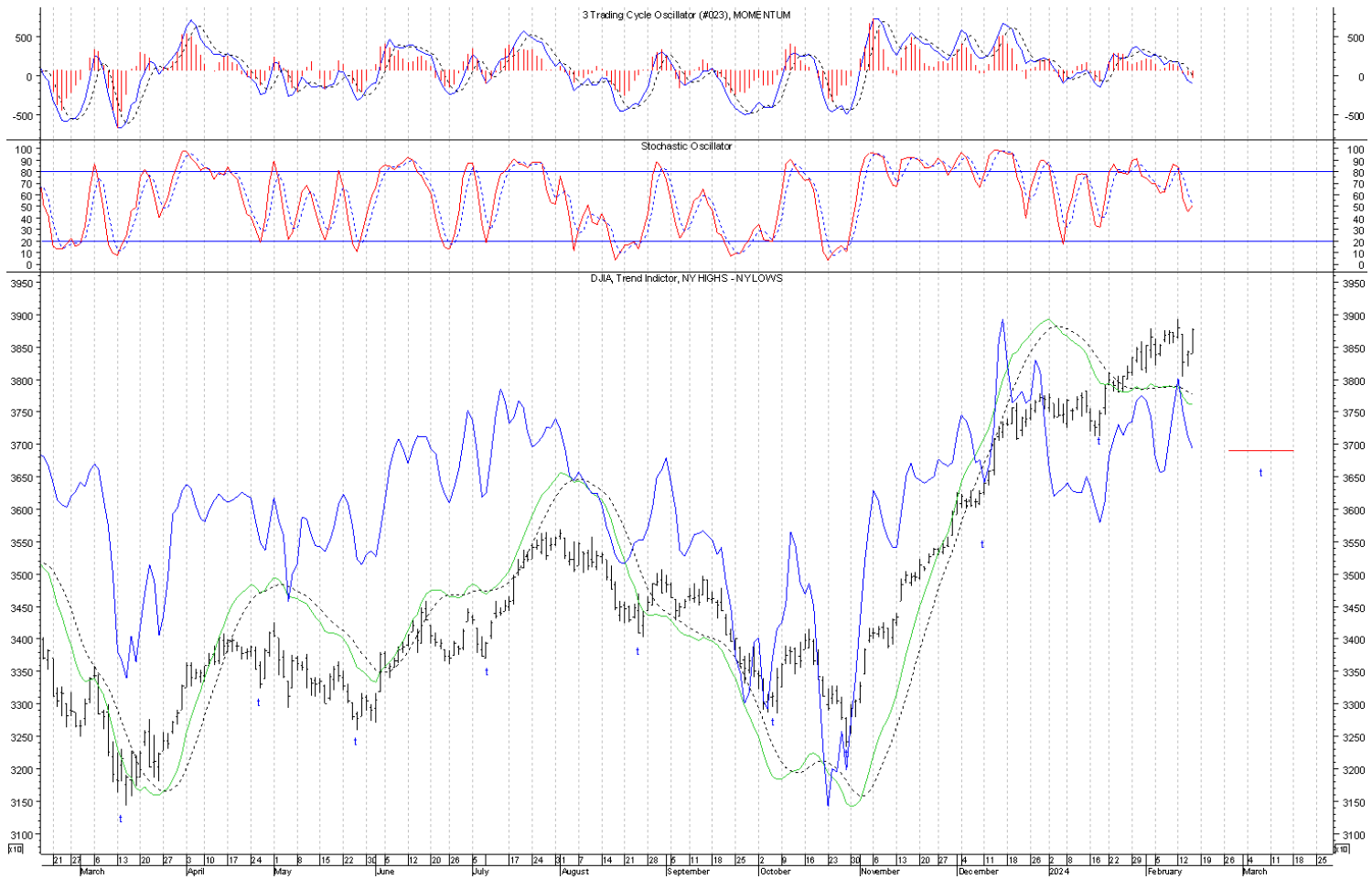
The Dollar triggered a short-term sell signal on Thursday and every indication is that the trading cycle top has been seen. If not, any additional strength should be in association with an ending push up into the trading cycle top.

Bonds completed the formation of a daily swing low on Thursday and with the upturn of the daily CTI, a short-term buy signal was triggered. But, because of the reversal lower, we must see a close above Thursday's high as confirmation of this buy signal. Ideally, another push down into the trading cycle low should still lie ahead, but it is possible this low has been seen early.

The Intermediate-Term Advancing Issues Line, plotted in red, has turned back up, but the overall divergent oscillator picture continues to be suggestive of the trading cycle top. The Green MA continues its downturn below the Black MA. Generally there are two crossings below the Black in association with intermediate-term cycle tops. While this crossing has continued to put Equities at risk of an intermediate-term cycle top, because of the absence of a weekly swing high, the expectation has been for another upturn back above the Black MA that is then followed by a second downturn in association with the intermediate-term cycle top. That said, with the timing band for the intermediate-term cycle low now upon us, we assume the intermediate-term cycle top to be in place until Equities can prove otherwise.

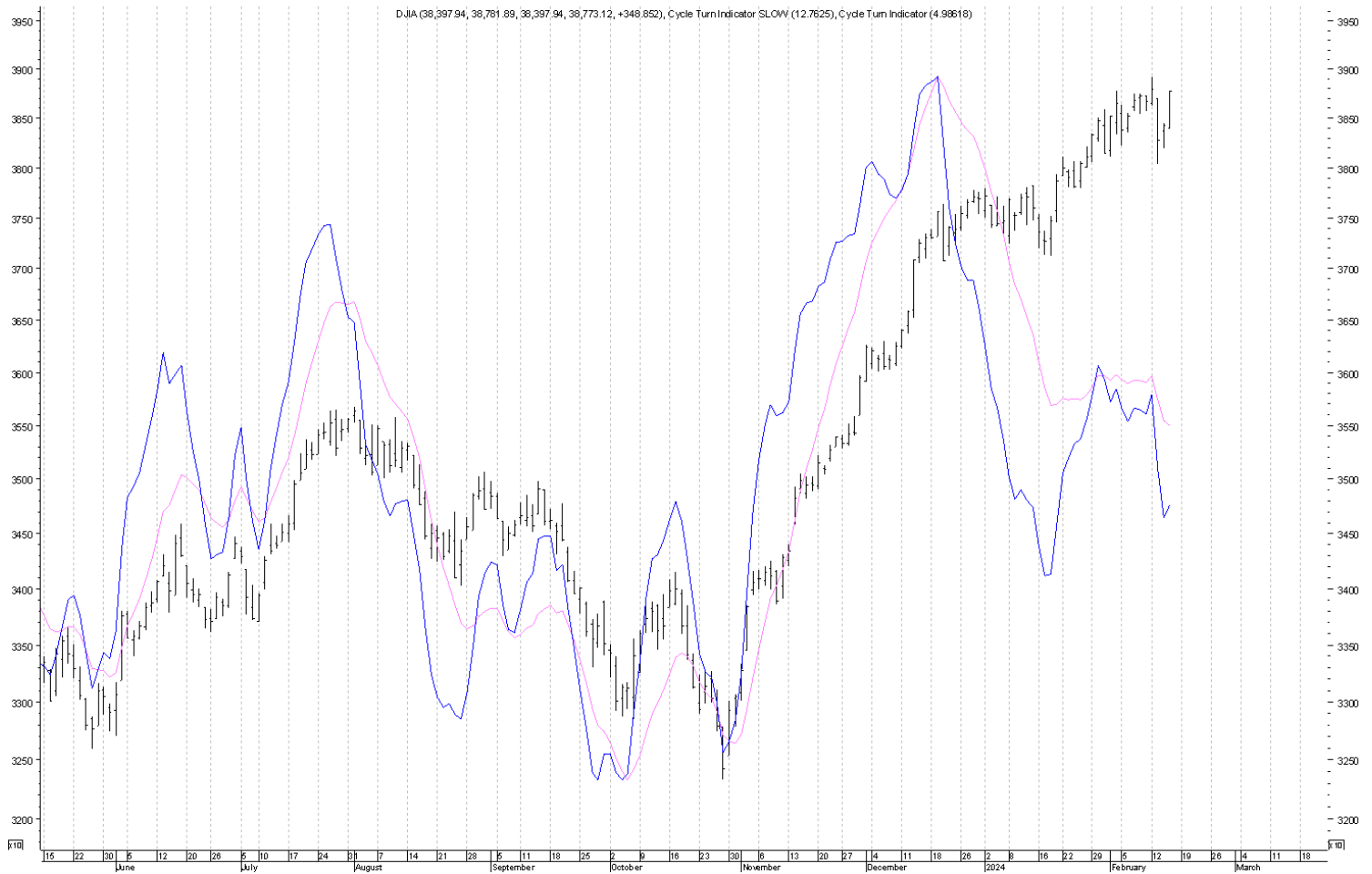


The **Trading Cycle Oscillator** in the upper window remains negative as does the **Momentum** Indicator. The **5 3 3 Stochastic** in the middle window has ticked back up and is sitting in neutral territory. While the **Industrials** completed the formation of a daily swing low on Thursday, the overall oscillator picture here continues to be suggestive of the trading cycle top. The **New High/New Low Differential**, plotted with price, remains negative. The downturn of the **Trend Indicator** continues to be suggestive of the trading cycle top.

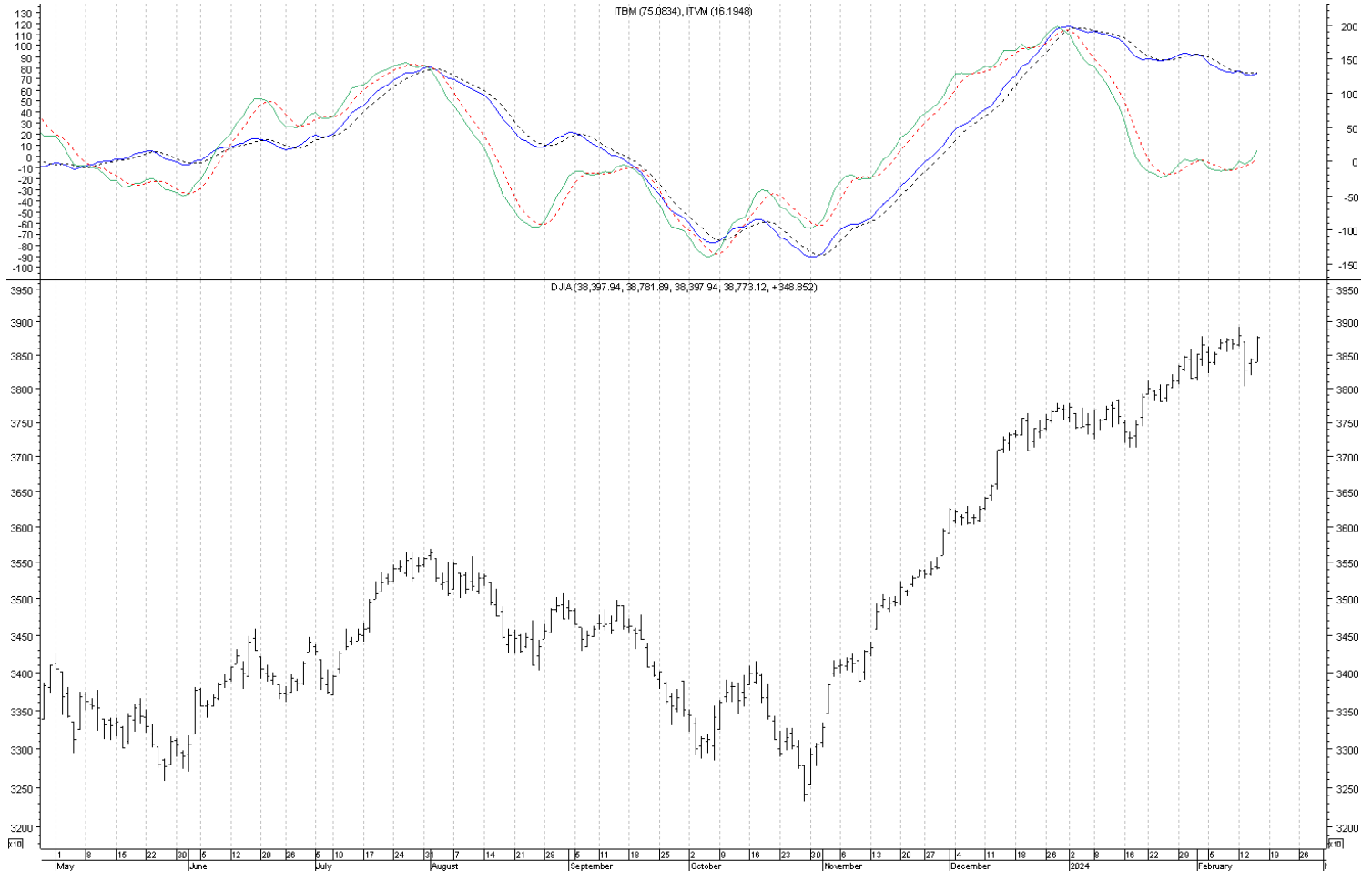


The Three Primary Short-Term Indicators are the **Original** and the **Slow Cycle Turn Indicators**, both plotted below, and the **NYSE New High/New Low Differential**, plotted with price above.

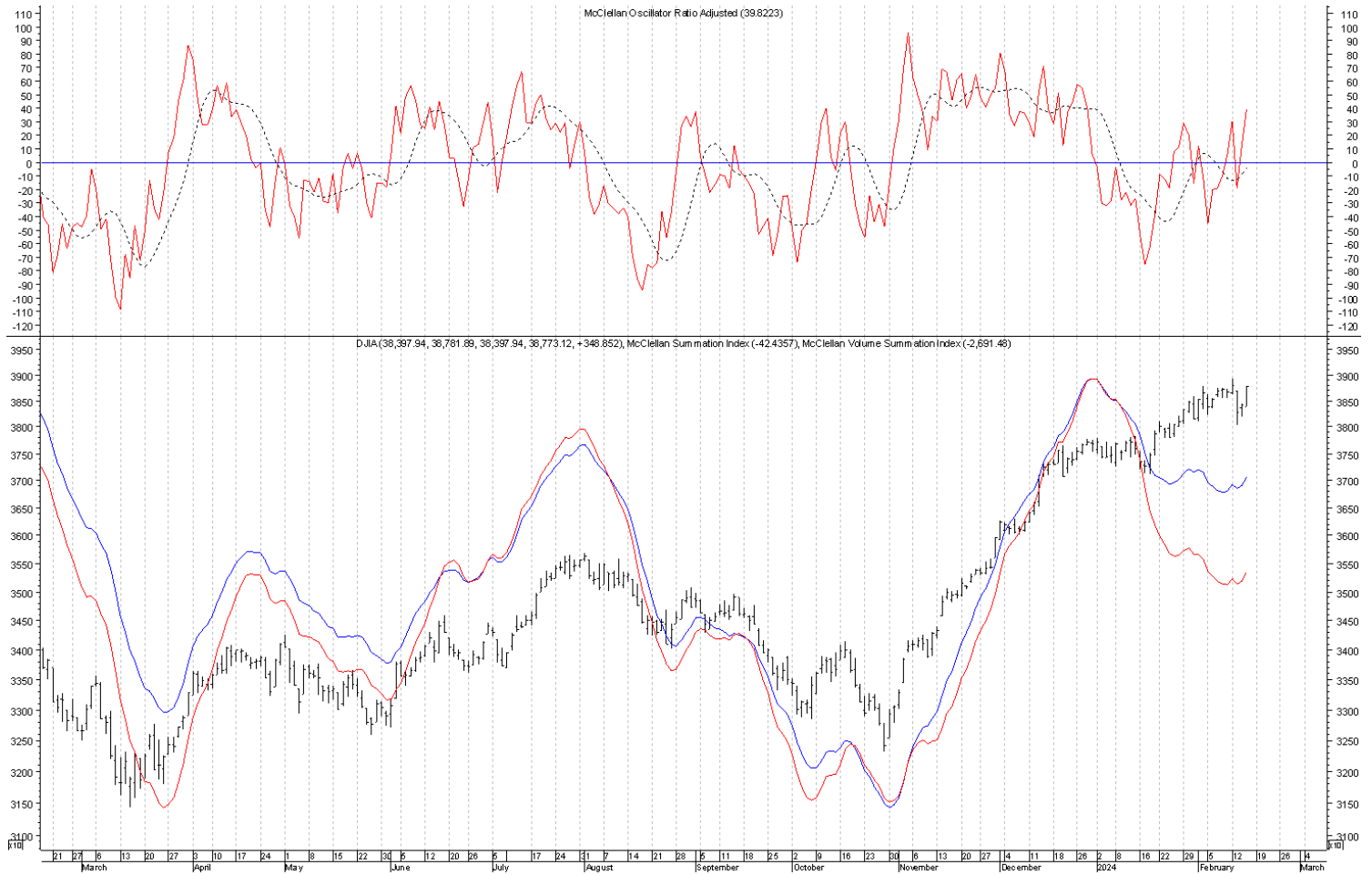
Any further advance on Friday that turns ALL Three of the Primary Short-Term Indicators up will re-trigger another short-term buy signal. With the trading and higher degree intermediate-term cycle top due, Thursday's completion of a daily swing low should be in conjunction with the half-trading cycle low and either a retest of the trading and intermediate-term cycle tops or an ending push into those tops. Whatever the case may be, Tuesday's short-term sell signal will remain intact until both a daily swing low AND upturn of ALL Three of the Primary Short-Term Indicators are seen.



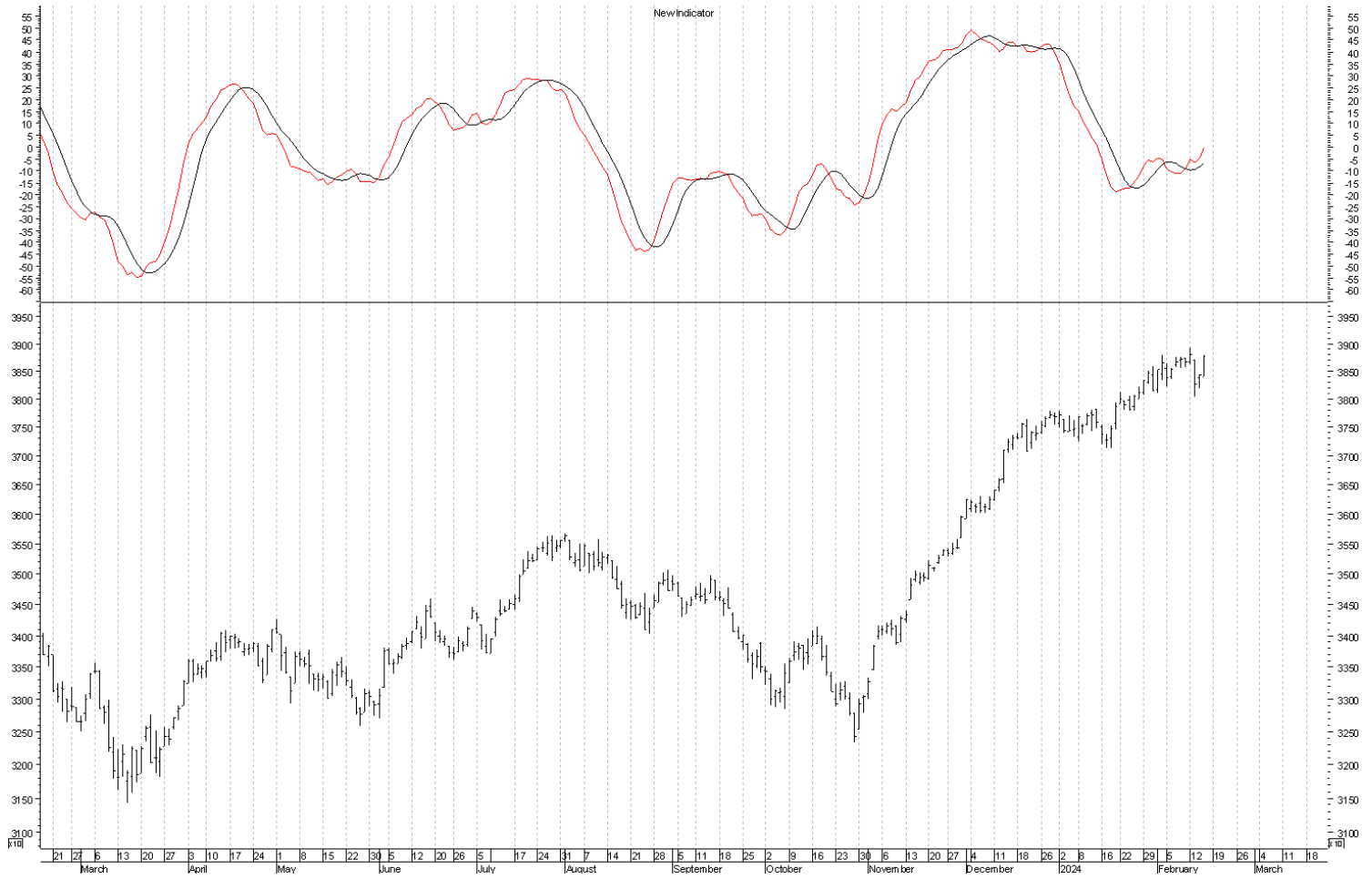
Both the **Intermediate Term Breadth Momentum Oscillator** and the **Intermediate Term Volume Momentum Oscillator** have again turned above their trigger lines. Another downturn, in conjunction with the re-triggering of another short-term sell signal should prove to be in association with the trading and intermediate-term cycle tops.



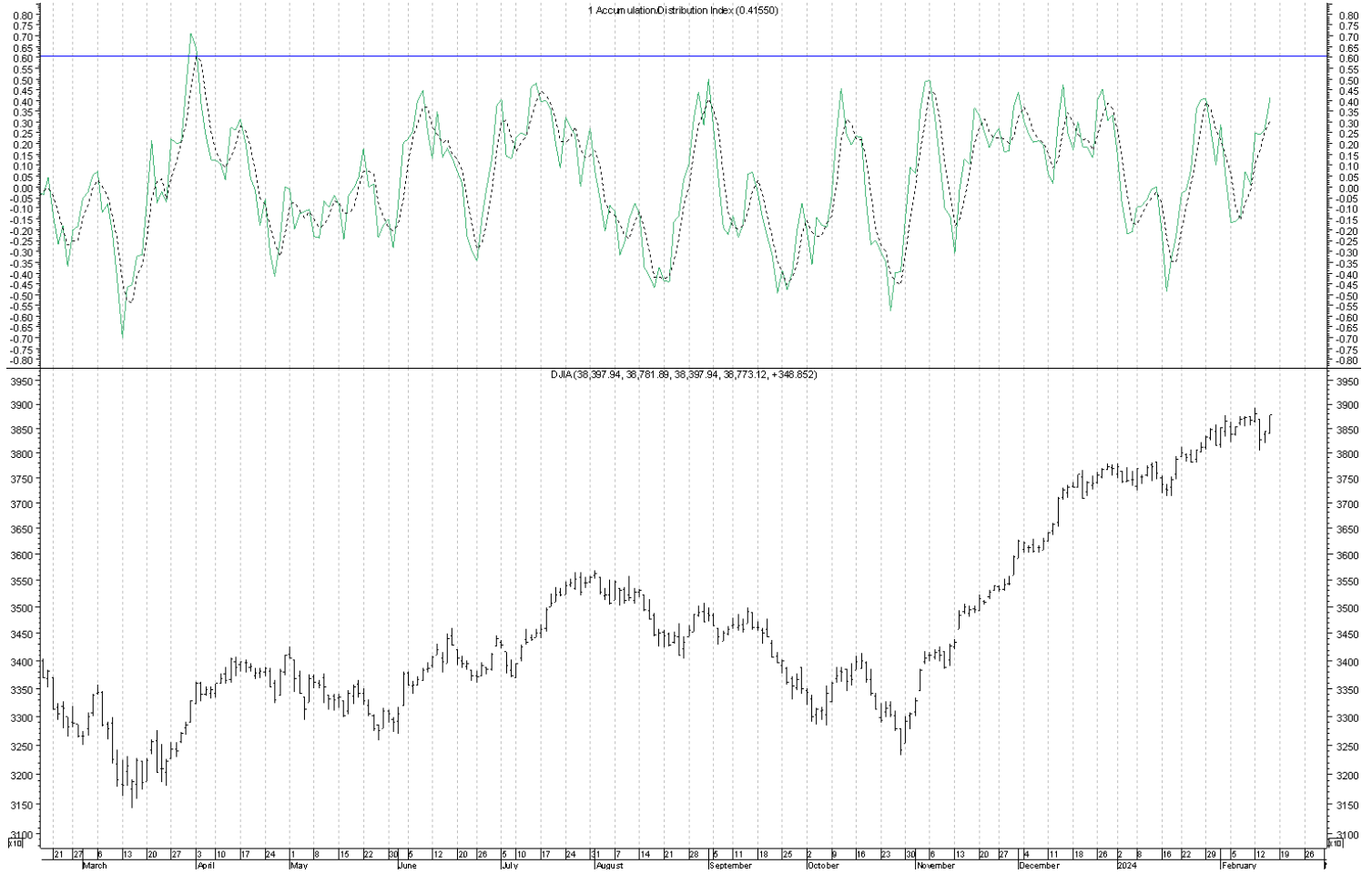
Both the **McClellan Summation Index** and the **McClellan Volume Summation Index** have also turned up, which here too, is reflective of the advance out of the half-trading cycle low and the additional push up into the trading and intermediate-term cycle top. The **Ratio Adjusted McClellan Oscillator** has turned back above both its trigger and zero line in association with the upturn out of the half-trading cycle low as well.



Here too, the smoothed McClellan oscillator has also turned back up. Given the cyclical phasing, another downturn should prove to be in association with the trading cycle top.



The **Accumulation/Distribution Index** continues its upturn, which here too has proven to have been in association with the advance out of the half-trading cycle low. Another downturn here should be indicative of the trading cycle top.

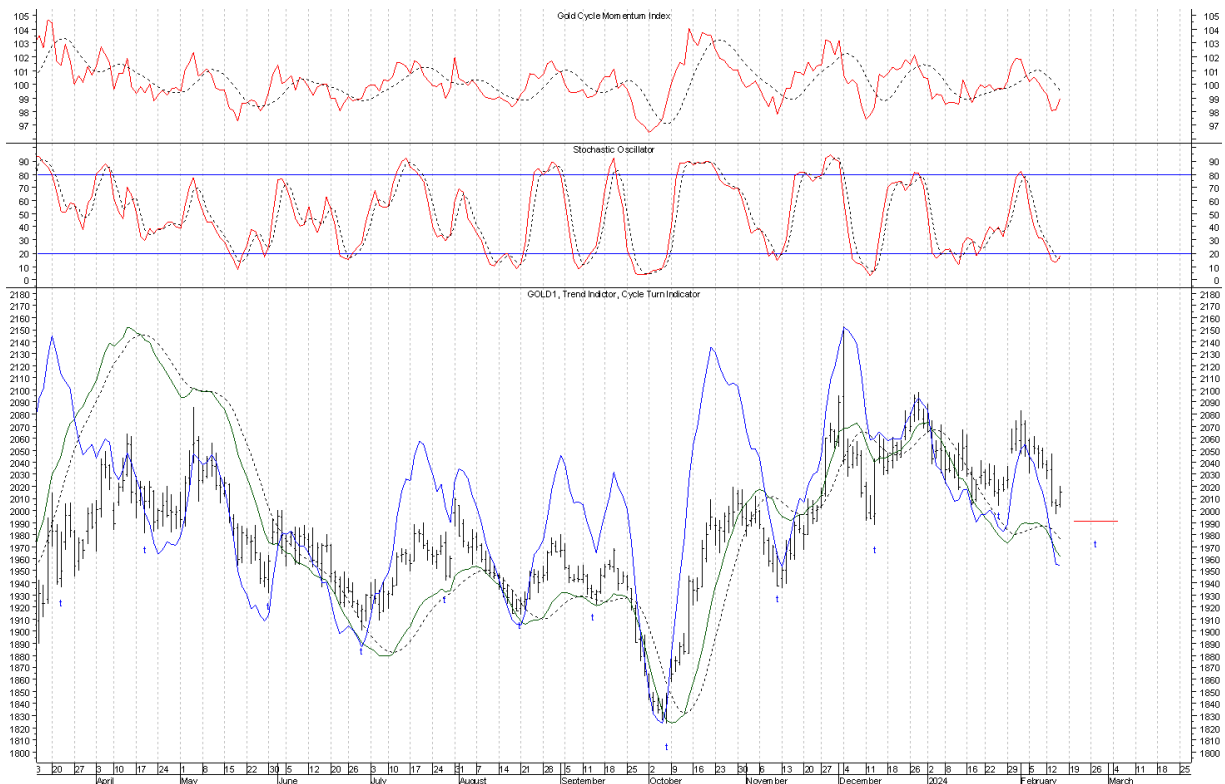


Gold

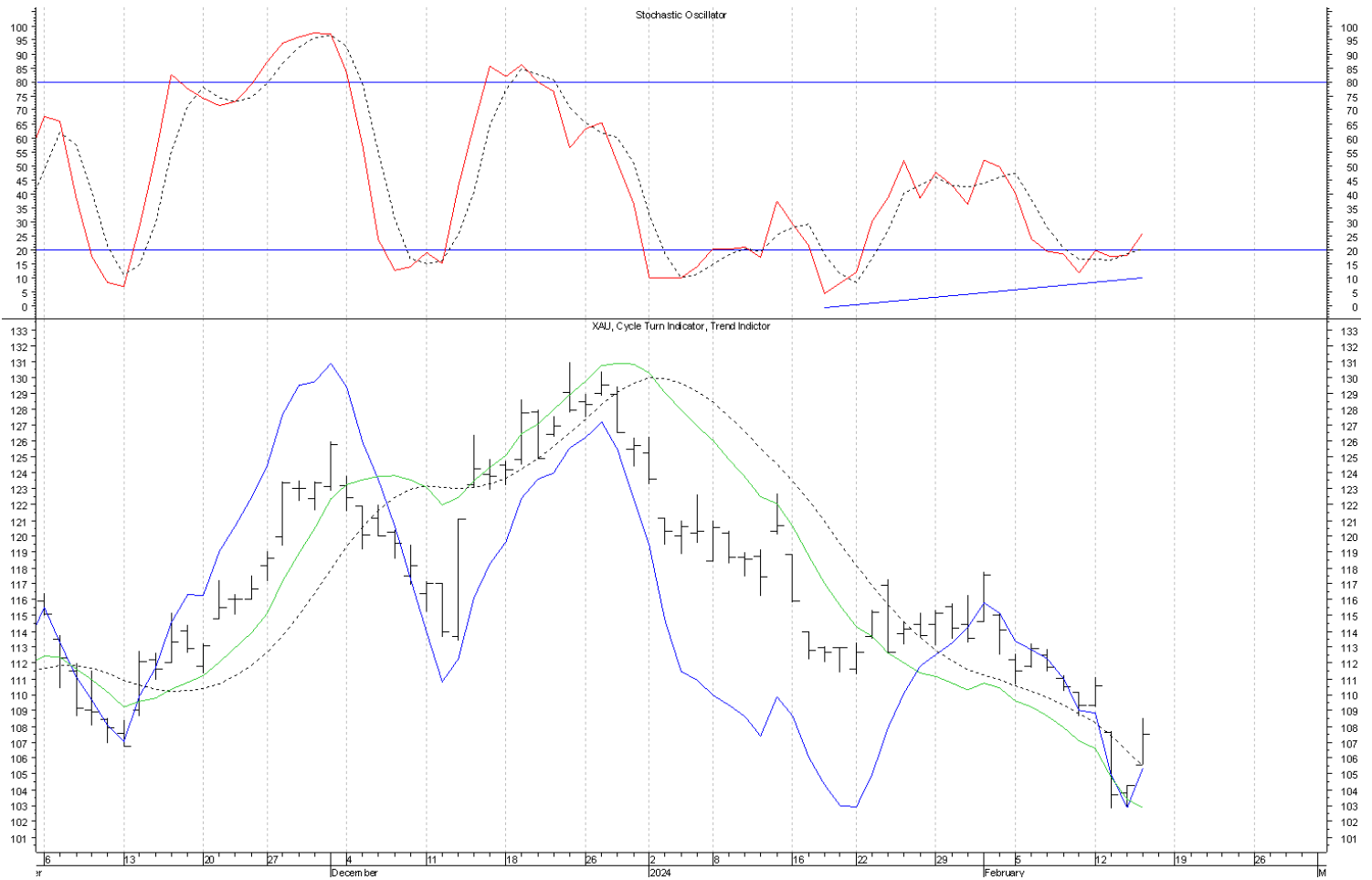
End of Week Intermediate-Term Indicator Summary Intermediate-Term Sell	
Primary Indicators	
Formation of a Weekly Swing Low	Bullish
Cycle Turn Indicator (CTI)	Bullish
Confirming Indicators	
Trend Indicator (TI)	Bullish
Cycle Momentum Indicator	Bearish
Secondary Indicators	
5 3 3 Stochastic	Bullish

Daily Indicator Summary Short-Term Sell	
Primary Indicators	
Formation of a Daily Swing Low	Bullish
Cycle Turn Indicator (CTI)	Bearish
Confirming Indicators	
Trend Indicator (TI)	Bearish
Cycle Momentum Indicator	Bearish
Secondary Short Term Indicators	
5 3 3 Stochastic	Bullish

The timing band for the pending trading cycle low runs between February 20th and March 5th. The price action on Thursday completed the formation of a daily swing low, but with the daily **CTI** remaining negative, a short-term buy signal was not triggered. It is always possible for a low to occur early, particularly when a higher degree cycle low is due, as is now the case, but with the timing band for the trading cycle low still ahead, this advance should ideally prove to be counter-trend and followed by continued weakness into the timing band for this low. However, any further advance that turns the daily **CTI** up will trigger a short-term buy signal whereas any further weakness should be in association with continued weakness into the trading cycle low. Another daily swing high will be completed on Friday if 2,020.20 is not bettered and if 2,001.80 is violated.



Our daily chart of the XAU is next. The price action on Thursday completed the formation of a daily swing low and with the upturn of the daily CTI, a short-term buy signal was triggered. In doing so, the price/oscillator picture here is suggestive of the trading cycle low having been seen and in this case, the higher degree intermediate-term cycle low is also due. Any further strength that completes the formation of a weekly swing low will be suggestive of both the trading and intermediate-term cycle low. This short-term buy signal will remain intact until another daily swing high and downturn of the daily CTI are seen. Another daily swing high will be completed on Friday if 108.50 is not bettered and if 105.54 is violated. Any such additional weakness should be in association with an ending push into/retest of the trading cycle low.



Dollar

End of Week Intermediate-Term Indicator Summary **Intermediate-Term Buy**

Primary Indicators

Formation of a Weekly Swing Low	Bullish
Cycle Turn Indicator (CTI)	Bullish

Confirming Indicators

Trend Indicator (TI)	Bullish
Cycle Momentum Indicator	Bullish

Secondary Indicators

5 3 3 Stochastic	Bullish
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Daily Indicator Summary **Short-Term Sell**

Primary Indicators

Formation of a Daily Swing High	Bearish
Cycle Turn Indicator (CTI)	Bearish

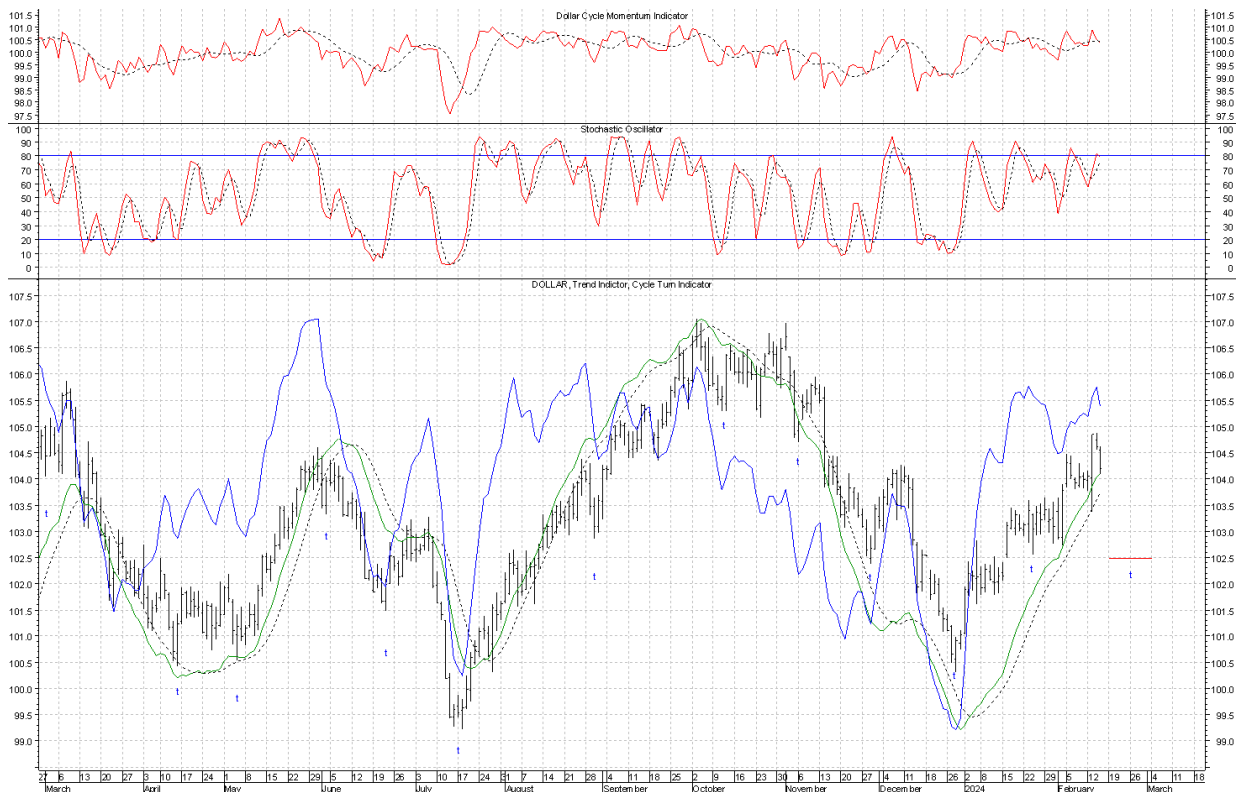
Confirming Indicators

Trend Indicator (TI)	Bullish
Cycle Momentum Indicator	Bearish

Secondary Indicators

5 3 3 Stochastic	Bullish
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The timing band for the next trading cycle low runs between February 19th and March 2nd. The price action on Thursday completed the formation of a daily swing high and with the downturn of the daily CTI a short-term sell signal was triggered. In doing so, every indication is that the trading cycle top should be in place. If the decline in association with this short-term sell signal completes the formation of a weekly swing high, then we should have confirmation of the trading and what should also ideally be the higher degree intermediate-term cycle top as well. Another daily swing low will be completed on Friday if 104.08 holds and if 104.62 is bettered. Any such advance should prove to be in association with an ending push into the trading cycle top.

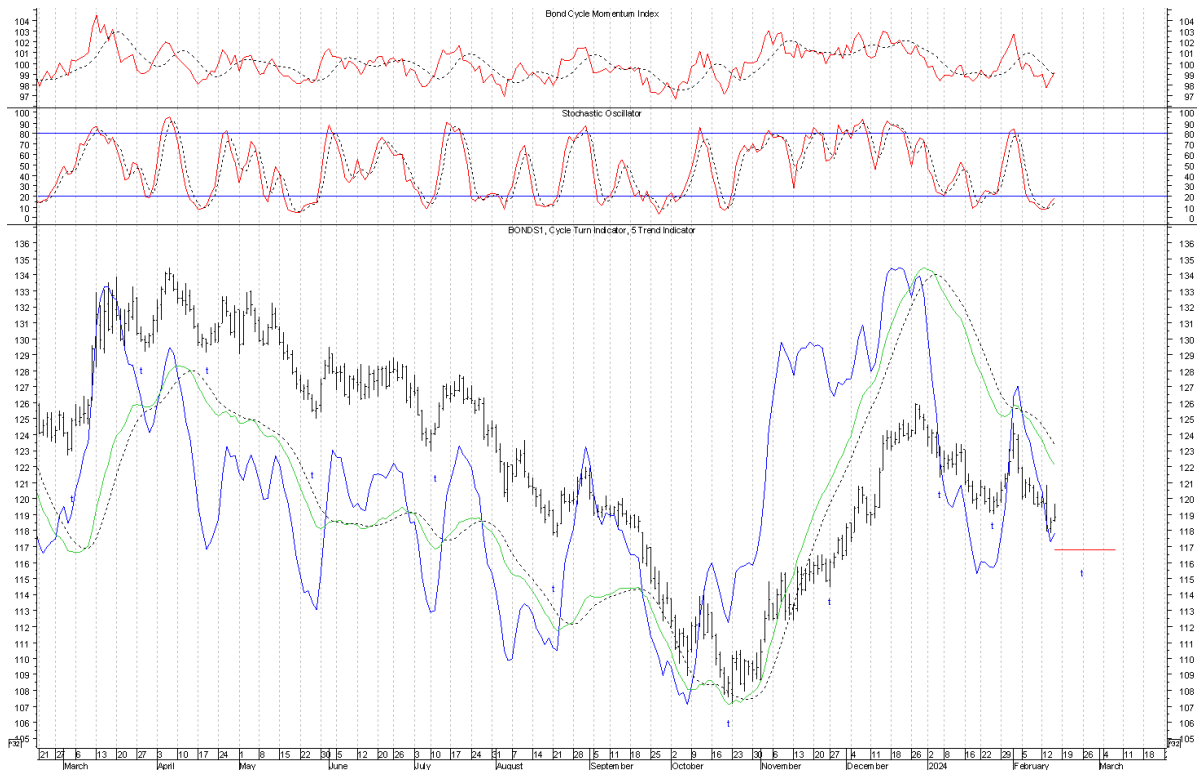


Bonds

End of Week Intermediate-Term Indicator Summary Intermediate-Term Neutral	
Primary Indicators	
Formation of a Weekly Swing High	Bearish
Cycle Turn Indicator (CTI)	Bullish
Confirming Indicators	
Trend Indicator (TI)	Bullish
Cycle Momentum Indicator	Bearish
Secondary Indicators	
5 3 3 Stochastic	Bearish

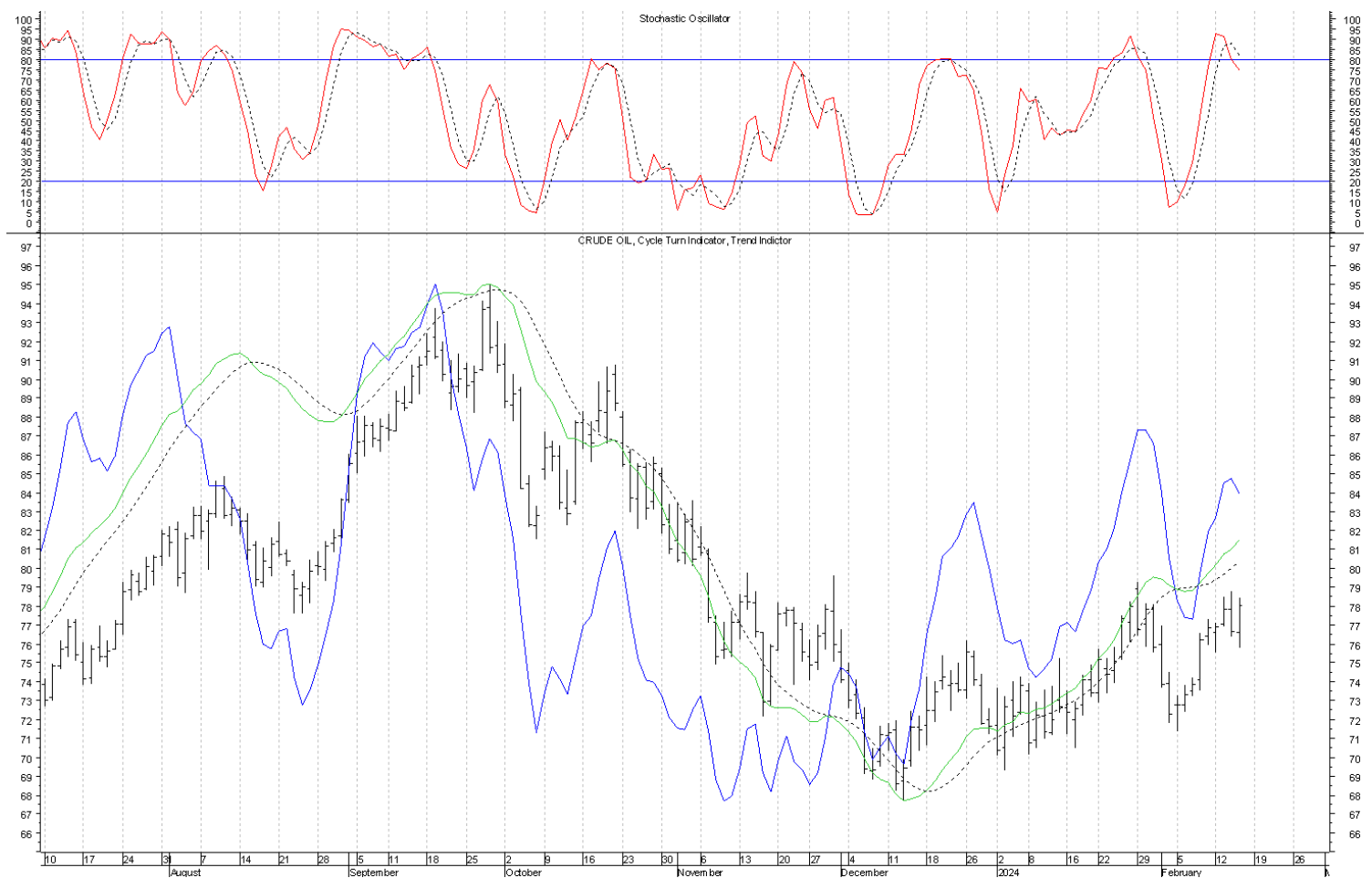
Daily Indicator Summary Short-Term Buy	
Primary Indicators	
Formation of a Daily Swing Low	Bullish
Cycle Turn Indicator (CTI)	Bullish
Confirming Indicators	
Trend Indicator (TI)	Bearish
Cycle Momentum Indicator	Bullish
Secondary Short Term Indicators	
5 3 3 Stochastic	Bullish

The timing band for the now due trading cycle low runs between February 15th and March 7th. Ideally, I would like to see another push down into this low, but with the completion of a daily swing low and upturn of the daily CTI on Thursday, a short-term buy signal was triggered. In doing so, it is possible the trading cycle low has been seen, but because of the reversal lower we need to see a close above Thursday's high in order to confirm this buy signal. With this buy signal having occurred early in the timing band, we are going to have to further evaluate whether this low has been seen as we move further into the timing band. Based on the cyclical structure and timing for the intermediate-term cycle low the advance out of the now due trading cycle low should prove to be counter-trend and followed by at least one more trading cycle down into the higher degree intermediate-term cycle low. More on this short-term buy signal and the trading cycle low as it develops.



Crude Oil

The price action on Thursday completed the formation of a daily swing high and with the downturn of the daily **CTI**, a short-term sell signal was triggered. But, because of the reversal off the low, we need to see a close below Thursday's low as confirmation of this signal. Given the downturn of the 5 3 3 Stochastic from overbought levels, any additional strength following Thursday's reversal should be an ending push into the trading cycle top. Structurally, this advance served as the test of the higher degree intermediate-term cycle top and any further weakness that completes the formation of a weekly swing high that is confirmed by a downturn of the weekly CTI will be suggestive of this advance having run its course and that the intermediate-term cycle top has been seen. Another daily swing low will be completed on Friday if 75.78 holds and if 78.44 is bettered.



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